

This simple story has a pricey punchline

Marty Trillhaase/Lewiston Tribune

The tale of how Idaho Gov. C.L. (Butch) Otter's administration screwed up the public school broadband contract is not written in bureaucratic gobbledygook.

This story is so simple your eighth-grader could get it: Arrogant administrators changed the rules in the middle of the game.

Chapter One opened with the Idaho Education Network, a lucrative \$60 million contract to provide broadband to Idaho high schools. When Syringa LLC and Education Networks of America won the bid, Otter's best friend and first state Administration Director Mike Gwartney changed the rules in mid-game. He steered the contract to both ENA and Qwest Communications (now CenturyLink Inc.).

Syringa sued, and in an Idaho Supreme Court case that kept the company's lawsuit alive, Justice Jim Jones wrote: "Gwartney appears to have been the architect of the state's effort to bend the contracting rules to Qwest's advantage. ... In deposition testimony, he essentially admitted knowing, even before the contract was made Jan. 20, 2009, that Qwest would be 'making the connections and providing the broadband' for the Idaho Education Network."

That apparently caught the eye of the Federal Communications Commission, which controls the federal "e-rate" dollars that provide 75 percent of the IEN budget. About 10 months ago, the feds shut off funding.

But not until January did Teresa Luna - sister of state school Superintendent Tom Luna and Otter's second Administration director - bother to tell state lawmakers about it. By then, the state was on the hook for at least \$14.45 million to cover IEN's bills through the current school year and the next one. So far, lawmakers have covered about \$6.6 million for the current cycle and are trying to hold next year's spending to \$4.8 million.

From Otter and Luna, the message throughout has been: Don't worry, be happy. This is just a hiccup. Eventually, the federal funds will come through.

But whenever Luna has had something to say, it's another bombshell:

- Not only had the FCC withheld payment of IEN's bills for 10 months, but it might want the \$13.3 million it already provided returned.
- Last year, Luna had renewed ENA's contract to manage IEN through 2019 - a year earlier than necessary. Surprised state lawmakers were not amused.
- Martin Bilbao - the fellow at the helm of ENA's Idaho operations at the time the IEN money blew up and Tom Luna stunned lawmakers by converting a one-year appropriation into a \$33 million, 15-year contract with ENA to provide WiFi to Idaho high schools - now handles the money for Otter's re-election campaign.

- Facing mounting bills to pay for IEN, legislative budget writers say they can't expand broadband to middle and elementary schools. They also may have to hold off granting Otter's request to spend \$2 million on wolf eradication.

And now there's this: No matter what Otter, Luna, Gwartney and Luna do next - even if they re-open the bids and hand the project back to Syringa - it may be too late.

So says Boise lawyer Merlyn Clark, who was appointed to defend the IEN lawsuit Syringa is waging.

"They have the ability to debar the state," Clark told the Senate Education Committee last week.

Which leaves Idaho in a dilemma: Either fully fund IEN on its own - or deprive about 90,000 Idaho high school students of access to modern education technology.

You'd think someone in Otter's administration would be held accountable for this mess and be forced to walk the plank.

They haven't.

And you'd think at least someone on the governor's team would apologize for all that's gone wrong.

Nobody has.

Instead, they expect you to pay for their mistake.

Not all that hard to follow, is it? - M.T.